

PUBLIC DISCLOSURE

MARCH 19, 2003

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

GEORGETOWN SAVINGS BANK

7 NORTH STREET
GEORGETOWN, MA 01833

DIVISION OF BANKS
ONE SOUTH STATION
BOSTON, MA 02110

<p>NOTE: This evaluation is not, nor should it be construed as, an assessment of the financial condition of this institution. The rating assigned to this institution does not represent an analysis, conclusion or opinion of the Division of Banks concerning the safety and soundness of this financial institution.</p>
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GENERAL INFORMATION

The Community Reinvestment Act (CRA) requires the Division of Banks (Division) to use its authority when examining financial institutions subject to its supervision, to assess the institution's record of meeting the needs of its entire assessment area, including low and moderate-income neighborhoods, consistent with safe and sound operation of the institution. Upon conclusion of such examination, the Division must prepare a written evaluation of the institution's record of meeting the credit needs of its community.

This document is an evaluation of the Community Reinvestment Act (CRA) performance of **GEORGETOWN SAVINGS BANK** prepared by the Massachusetts Division of Banks, the institution's supervisory agency.

INSTITUTION'S CRA RATING: This institution is rated "Satisfactory"

Georgetown Savings Bank was evaluated under the CRA Small Institution Examination Procedures, including an evaluation of the bank's average loan to deposit ratio; lending inside and outside of the assessment area; distribution of credit to borrowers of different income levels and to geographies of different income levels and Fair Lending.

Based on the five criteria specified for institutions with assets under \$250 million, Georgetown Savings Bank's overall CRA performance is considered Satisfactory. The bank's loan-to-deposit ratio stood at 99.6 percent as of December 31, 2002, and has averaged in excess of 98 percent over the last 8 quarters. These figures exemplify excellent performance levels that exceed the standards for satisfactory performance.

Mortgage loan data for calendar years 2001 and 2002, indicates that Georgetown Savings Bank has originated the majority of its residential mortgages within the assessment area. The bank exceeds the standards for satisfactory performance in this category also.

Low-and moderate-income households represent 9.0 percent of total households. The bank's performance in lending to borrowers of different income levels is considered to be reasonable when compared to aggregate data and the percentage of households by household income.

The bank's assessment area has 1 low-income census tracts, 3 moderate-income census tracts, 26 middle-income census tracts, and 6 upper-income census tracts. Based on an analysis of the geographic distribution of loans within each locality, the bank's performance is considered marginally satisfactory. Finally, a review of the bank's CRA-related complaint file and fair lending policies and practices indicated no evidence of any discriminatory practices. An overall rating of "Satisfactory" was assigned.

PERFORMANCE CONTEXT

Description of Institution

Georgetown Savings Bank (GSB) is a state-chartered mutual institution incorporated under the laws of the Commonwealth of Massachusetts on May 21, 1868. The bank's headquarters is located at 7 North Street in the Town of Georgetown. This location is situated within a middle-income census tract. The main office houses an ATM that provides 24-hour service. The bank also has a full service office located at 303 Haverhill Street in Rowley. This office provides drive-up 24-hour ATM and a regular drive-up teller. The ATMs are connected to the NYCE and Cirrus networks. In addition, GSB is a member of the SUM network, which is a surcharge-free alliance of several financial institutions that include over 1,200 ATMs throughout Massachusetts. The bank's customers can avoid ATM surcharges by conducting business at alliance members' ATMs that bear the SUM logo.

Bank services and hours of operation compare favorably to those of competing institutions and afford accessibility to all segments of GSB's assessment area. Business hours are from 8:30 a.m. to 4 p.m. weekdays at the Georgetown office with extended hours on Thursday and Friday evening. The Rowley office business hours are from 8:30 a.m. to 5:00 p.m. with extended hours on Friday evening. Both offices provide extended business hours on Saturday from 8:30 a.m. to 1 p.m.

The bank faces competition from other institutions that operate within the assessment area. Other participants within the bank's competitive mortgage market include large national and regional lenders such as Washington Mutual Bank, FA, Countrywide Home Loans, Fleet National Bank, and GMAC Mortgage. Also, the bank experiences competition from other bank and non-bank mortgage lenders that operate in the local area.

As of December 31, 2002, GSB had total assets of \$104.4 million. Total loans represent 76.5 percent of the bank's total assets. GSB is primarily a residential mortgage lender with 83.4 percent of its loan portfolio comprised of residential loans. Loans on nonresidential properties are a distant second with 9.7 percent of the total loan portfolio. The following table provides detail of the remaining loan portfolio.

Loan Distribution as of December 31, 2002		
Loan Type	Dollar Amount \$(000)	Percent (%)
Secured by:		
Construction and Land Development	4,274	5.4
1-4 Family Residential Properties	66,625	83.4
Multi Family (5 or more) Residential Properties	0	0.0
Nonfarm Nonresidential Properties	7,758	9.7
Commercial and Industrial Loans	755	0.9
Consumer Loans	494	0.6
Other	4	0.0
Less: Unearned Income		
Total	79,910	100.0

Source: Report of Condition

GSB's assets increased 18.9 percent between first quarter 2001, and last quarter 2002. This is due, in part, to an increase in total loan volume, which increased by 29.0 percent. Also, total deposits increased by more than 20.8 percent during the same period.

The Federal Deposit Insurance Corporation (FDIC) last examined the bank for compliance with the Community Reinvestment Act on September 17, 2001. That examination resulted in a CRA rating of "Satisfactory." The previous CRA examination conducted by the Division of Banks on September 15, 1998 received a CRA rating of "High Satisfactory."

Description of Assessment Area

The Community Reinvestment Act (CRA) requires financial institutions to define an assessment area within which its lending efforts are focused. The Division of Banks (Division) evaluates the institution's CRA performance based upon the defined assessment area.

Georgetown Savings Bank has defined its assessment area as the following: Amesbury, Ipswich, Middleton, Newbury, Newburyport, Rowley, and Topsfield all located within the Boston Metropolitan Statistical Area (MSA); Boxford, Georgetown, Groveland, Haverhill, Merrimac, North Andover and West Newbury all located within the Lawrence MSA. The geographies comprising the assessment were categorized according to the income of the census tracts. These categories include low-, moderate-, middle-, and upper-income. The assessment area is composed of a total of 36 census tracts, with the following classifications: 1 low-income; 3 moderate-income; 26 middle-income; and 6 upper-income.

As defined by the U.S. Department of Housing and Urban Development (HUD) Low-income is defined as income is less than 50 percent of the MSA's median family income. Moderate-income is defined as an income level that is between 50 percent to 80 percent of median family income. Middle-income is defined as an income level that is 80 percent to less than 120 percent of median family income, while upper-income is defined as an income level that is equal to or greater than 120 percent of the MSA's median family income.

Based on the 1990 U.S. Census data, HUD median family income for the Boston and Lawrence MSAs was \$48,688 and \$46,608, respectively. Subsequently, HUD makes annual adjustments of MSA median family income figures. The adjusted median family income for the MSAs for 2001, and 2002 are shown in the table below. Based upon the definitions of the various income levels, the adjusted figures for low-income individuals and moderate-income individuals are also indicated in the following table.

Annual Income		Annual Income Levels	
Lawrence MSA	Amount	Low-income <50% MSA MFI ¹	Moderate-income 50%-79% MSA MFI
Year: 2001	\$64,100	\$32,049	\$32,050 - \$50,639
Year: 2002	\$67,400	\$33,699	\$33,700 - \$53,246
Boston MSA	Amount	Low-income <50%	Moderate-income 50%-79%
Year: 2001	\$70,000	\$34,999	\$35,000 - \$55,300
Year: 2002	\$74,200	\$37,099	\$37,100 - \$58,618

¹Median Family Income

The majority of the assessment area's census tracts, as depicted in the table below, is distributed within middle-income tracts. The table also shows the percentage of households that reside in the various census tract categories. Information pertaining to household income levels is shown in the Performance Criteria portion of this evaluation.

<i>Selected Housing Characteristics by Income Category of the Geography</i>							
Geographic Income Category	Percentage						Median Home Value
	Census Tracts	House -holds	Housing Units	Owner- Occupied	Rental Units	Vacant Units	
Low	2.8	2.6	2.8	0.7	6.4	7.0	\$108,100
Moderate	8.3	6.4	6.9	3.4	13.0	12.1	\$126,886
Middle	72.2	75.8	75.5	75.4	76.1	73.6	\$163,826
Upper	16.7	15.2	14.8	20.5	4.5	7.3	\$269,920
Total or Median	100.0	100.0	100.0	100.0	100.0	100.0	\$175,367

Source: 1990 U.S. Census

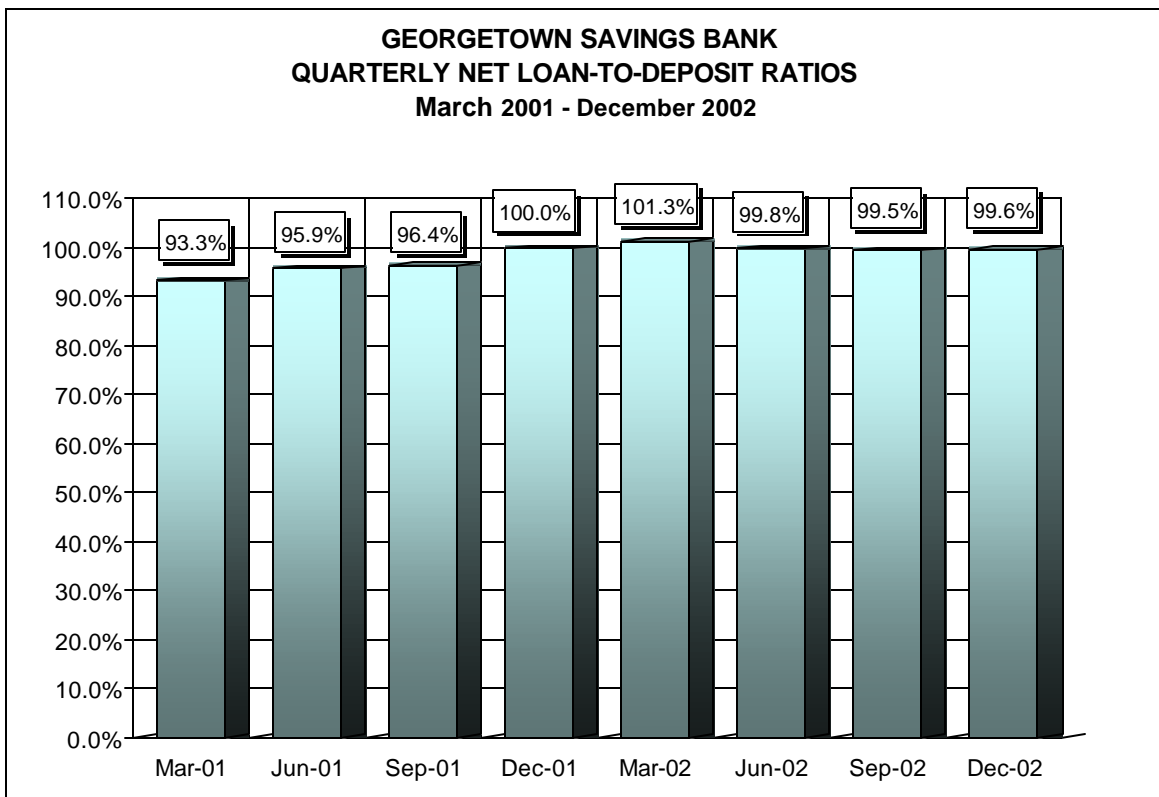
Based on the 1990 census, the assessment area has a total population of 164,736. Of the 60,742 households, 21.6 percent are low-income, 14.8 percent are moderate-income, 20.0 percent are middle-income, and 43.6 percent are upper-income. The housing stock is comprised of 65,260 units, 81.6 percent of which is 1-to-4 family, 16.5 percent is multi-family, and 0.6 percent is mobile homes. Approximately 63.1 percent of the total units are owner-occupied.

PERFORMANCE CRITERIA

1. LOAN TO DEPOSIT ANALYSIS

Based upon GSB's asset size, its capacity to lend, and the credit needs of its customers, the institution's net loan-to-deposit ratio exceeds the standards for satisfactory performance.

An analysis of Georgetown Savings Bank's net loan-to-deposit (LTD) ratio was performed during the examination. The analysis utilized the last eight quarters of the Federal Financial Institutions Examination Council (FFIEC) Call Report data for this institution. The bank's net loans to total deposits as reported to the FFIEC were reviewed for the quarters ending March 31, 2001 through December 31, 2002. The following chart indicates that for the period reviewed, the bank's net LTD ratios were consistently at a high level with an average of 98.2 percent for the period reviewed. Call report data for this period indicates that total loans increased by approximately 29.0 percent while total deposits increased by approximately 20.8 percent. Thus, the relatively stable ratios are attributed to deposit base growth that kept pace with the loan portfolio growth.



The growth in the loan portfolio is attributed primarily to residential loan activity. Loan volume increased considerably in 2002.

The bank sells mortgages to Fannie Mae. Secondary market loan sales allow for more efficient management of the bank's liquidity position and also makes funds available for additional lending. The following table shows the number and dollar volume of loans sold by GSB from January 2001 through December 2002.

Year	Number	Dollar Amount
2001	11	\$1,328,750
2002	6	\$1,117,200
Total	17	\$2,445,950

*Year-to-date June 2002

It is also noted that the bank relies on borrowing from the Federal Home Loan Bank to help fund its loan activity. As a participant in the Federal Home Loan Bank of Boston's Community Development Advances program the bank can access lower cost funding for worthwhile affordable housing and economic development projects.

GSB's net loan-to-deposit ratio, compared to five other institutions that operate within the bank's assessment area for fourth quarter 2002, is indicated in the following table.

Net Loans-to-Deposits as of December 31, 2002			
Bank	Net Loans (\$000)	Deposits (\$000)	% LTD
Georgetown Savings Bank	79,116	79,458	99.6
Newburyport Five Cent Savings Bank	259,208	304,691	85.1
Haverhill Co-operative Bank	81,270	113,795	71.4
Pentucket Bank	172,280	265,568	64.9
Institution for Savings in Newburyport	169,739	313,727	54.1
Merrimac Savings Bank	15,539	30,410	51.1

Source: Call Report Data

Based on the preceding information GSB's net loans-to-deposit ratio is considered to be exceptional.

2. COMPARISON OF CREDIT EXTENDED INSIDE AND OUTSIDE OF THE ASSESSMENT AREA(S)

Based upon the analysis of HMDA data, the bank's level of lending within the assessment area exceeds the standards for satisfactory performance.

HMDA-reportable residential loans were used to compare the institution's level of lending activity inside the assessment area. These loans consisted of first and second mortgages and home improvement loans on one to four family properties. Refinanced mortgages represented 76.1 percent of total loans on residential properties.

According to the institution's HMDA data, the bank originated 356 loans in the two year period reviewed. Of this total, 310 loans were originated inside GSB's assessment area representing 87.1 percent of the total number, or 86.6 percent of the total dollar volume of \$63.4 million. Georgetown accounted for 35.7 percent of the total number and 32.5 percent of the total dollar volume. Groveland and Haverhill were a distant second and third place with 10.4 percent and 7.3 percent of the total number, respectively. Groveland and Boxford were also in second and third place in total dollar volume with 8.7 percent and 8.6 percent, respectively. The towns of Middleton and Topsfield demonstrated the lowest incidence of activity, each with less than one percent in number and dollar volume. Refer to the following table for a breakdown of loan activity by year.

<i>Distribution of Home Mortgage Loans Inside and Outside of the Assessment Area</i>								
Year	Inside				Outside			
	Number of Loans		Dollar in Loans (000s)		Number of Loans		Dollars in Loans (000s)	
	#	%	\$	%	#	%	\$	%
2001	140	87.0	24,702	88.0	21	13.0	3,380	12.0
2002	170	87.2	30,236	85.6	25	12.8	5,092	14.4
Total	310	87.1	54,938	86.6	46	12.9	8,472	13.4

Source: HMDA LAR, Cra Wiz

The data presented above for HMDA reportable loans indicates that GSB extends the majority of its loans, by number and dollar volume, within the assessment area. The overall rate of lending within the assessment area is at a high level.

Market share data for 2001 was also reviewed with respect to this performance criterion. The data is based on loan information submitted to the Federal Reserve by all HMDA reporters. In 2001, there were 378 lenders that originated and/or purchased a total of 17,914 HMDA-reportable loans within the assessment area. Calendar year 2001 information is the latest available data for comparison. The bank ranked 33rd with a 1

percent market share at that time. The top positions were held by Washington Mutual Bank, followed by Countrywide Home Loans with a market share of 6 percent and 5 percent, respectively.

Georgetown Savings Bank has made an impact on loan volume within its assessment area due to the drop in interest rates. The bank's lending volume increased during 2002, mostly due to refinanced loans as a result of lower interest rates.

3. DISTRIBUTION OF CREDIT AMONG DIFFERENT INCOME LEVELS

The distribution of residential loans to borrowers of different incomes reflects reasonable penetration among all income levels. Based upon this analysis, the bank's efforts meet the standards for satisfactory performance.

Analysis of GSB's loan data was conducted in order to determine the distribution of loans based upon the income levels of borrowers. The analysis of borrower income level was identified as the ratio of borrower income to the median family income for the assessment area towns located within the Boston and Lawrence MSAs. The median family income is based upon estimated 2001 and 2002 Department of Housing and Urban Development (HUD) information for the MSA.

The following table indicates loans originated and categorized by the applicants' reported incomes in relation to the median family income for the MSA in which the property is located.

Distribution of HMDA Loans by Borrower Income (Number)								
Median MSA Income Level	% Total Households ¹	2001 Aggregate* Lending Data (% of #)	Bank 2001		Bank 2002		Bank Total	
			#	%	#	%	#	%
Low	2.5	3.3	5	3.6	8	4.7	13	4.2
Moderate	6.5	13.1	16	11.4	23	13.5	39	12.6
Middle	75.8	22.0	34	24.3	49	28.8	83	26.8
Upper	15.2	44.3	83	59.3	88	51.8	171	55.2
NA	0.0	17.3	2	1.4	2	1.2	4	1.2
Total	100.0	100.0	140	100.0	170	100.0	310	100.0

Source: HMDA/LAR Data ¹1990 Census Data *PCI Services, Inc. CRA WIZ Software

Loans to borrowers of low- and moderate-income represented 4.2 percent and 12.6 percent of loans originated, respectively. This distribution exceeded the number of households within those income levels at 2.5 and 6.5 percent respectively. Loans extended to borrowers with incomes within the upper-income level represented the largest individual category with 55.2 percent of the total number, for the period reviewed. Loans extended to

borrowers of middle-income were next with 26.8 percent of the total number; however, middle-income households represented the largest group of potential borrowers with 75.8 percent of all households falling within that category.

The following table indicates the percentage distribution of credit according to dollar amount of credit extended. Overall, the bank extended 1.4 percent of all loan dollars to low-income borrowers and 8.0 percent to moderate-income borrowers. Moderate-income borrowers were extended credit at a greater rate (8.0 percent) than was their representation by household income at 6.5 percent.

Distribution of HMDA Loans by Borrower Income (Dollar Amount)								
Median MSA Income Level	% Total Households¹	2001 Aggregate* Lending Data (% of \$)	Bank 2001		Bank 2002		Bank Total	
			\$ (000)	%	\$ (000)	%	\$ (000)	%
Low	2.5	1.6	289	1.2	490	1.6	779	1.4
Moderate	6.5	8.3	1,334	5.4	3,072	10.2	4,406	8.0
Middle	75.8	17.9	4,716	19.1	7,793	25.8	12,509	22.8
Upper	15.2	52.3	17,881	72.3	18,231	60.3	36,112	65.7
NA	0.0	19.9	482	2.0	650	2.1	1,132	2.1
Total	100.0	100.0	24,702	100.0	30,236	100.0	54,938	100.0

Source: HMDA/LAR Data ¹1990 Census Data *PCI Services, Inc. CRA WIZ Software

The above tables also suggest that HMDA-reportable loans originated by the bank among low and moderate-income borrowers were proportionate to the percentage of loans made by HMDA- reporting aggregate lenders within the assessment area in Year 2001. GSB granted 3.6 percent of the number and 1.2 percent of the dollar volume to low-income borrowers in that year. The aggregate lenders made 3.3 percent by number and 1.6 percent by dollar amount to low-income borrowers. As far as moderate-income borrowers are concerned, the bank made 11.4 percent by number and 5.4 percent by dollar amount to moderate-income borrowers. In comparison the aggregate originated 13.1 percent by number and 8.3 percent by dollar amount to moderate-income borrowers in that year.

Given the bank's distribution in comparison to the demographics of its assessment area as well as its performance relative to that of the aggregate, Georgetown Savings Bank's lending distribution by borrower income is considered to be reasonable.

4. GEOGRAPHIC DISTRIBUTION OF LOANS

The analysis of the geographic distribution of residential loans and a comparative analysis of 2000 HMDA aggregate data indicate that Georgetown Savings Bank's efforts meet the standards for satisfactory performance.

The following table notes the number of residential loans originated within the assessment area by census tract classification. This data indicates that no loans were originated in the assessment area's low-income tract for the period reviewed. Also, the following table indicates that 84.2 percent of the number were originated in the assessment area's middle-income tracts. Loans originated in the upper-income and moderate-income tracts represented 15.2 percent and 0.6 percent, respectively, of the total number. These figures are not consistent with the owner-occupancy rate within the assessment area's various census tract income categories.

The distribution of the bank's loans within the low- and moderate-income census tract categories for 2001 does not compare favorably with that of the aggregate lending data. The low rate of penetration within low- and moderate-income census areas and the bank's performance in contrast to aggregate lending data was noted in the previous CRA examination conducted by the FDIC in 2001. The limited activity was due to the lack of demand because of low owner-occupancy rates in these areas.

Distribution of HMDA Loans by Income Category of the Census Tract								
Census Tract Income Level	% Total Owner-Occupied Housing Units ¹	2001 Aggregate* Lending Data* (% of #)	2001		2002		Total	
			#	%	#	%	#	%
Low	0.7	1.0	0	0.0	0	0.0	0	0.0
Moderate	3.4	3.8	2	1.4	0	0.0	2	0.6
Middle	75.4	74.5	120	85.7	141	82.9	261	84.2
Upper	20.5	20.7	18	12.9	29	17.1	47	15.2
Total	100.0	100.0	140	100.0	170	100.0	310	100.0

Source: HMDA/LAR Data ¹1990 Census Data *PCI Services, Inc., CRA Wiz Software.

Also, the bank's broadly defined assessment area may have some impact on the lack of activity in low-and moderate-income census tracts since these geographies are located within the City of Haverhill, which is the northernmost location in the assessment area. GSB's nearest branch office location is more than six miles from this section of Haverhill.

As the above table shows, owner-occupied properties within the assessment area's single low-income tract represents less than 1 percent of the total, and owner-occupied properties within moderate-income tracts represent 3.4 percent of the total. By comparison, 75.4 percent of the owner-occupied properties are located in middle-income census tracts and 20.5 percent are in upper-income census tracts.

Aggregate lending data more closely reflects the owner-occupancy rate within the various tract categories. The increasing cost of homeownership is a major factor in affordability within the assessment area. The median sales price (based on market statistics provided by the Warren Group) for a single-family home in 2002 ranged from a low of \$245,00 in Haverhill to a high of \$543,000 in Boxford. Between 2001 and 2002 the sales price for single family homes increased by an average of 9.5 percent. The largest increase in sales price was in Middleton, where a single family home increased by more than 22 percent. Thus the high cost of housing in more affluent communities presents a barrier to homeownership for many borrowers.

Given the demographics of the assessment area, as well as the location of bank branches, the distribution of credit according to census tract income appears to be adequate and thus is considered to meet the standards for satisfactory performance

5. REVIEW OF COMPLAINTS

Based upon the review of the bank's public comment file and its performance relative to fair lending policies and practices the institution meets the standards for satisfactory performance.

FAIR LENDING POLICIES AND PRACTICES

GSB's fair lending data was reviewed to determine how this information relates to the guidelines established by Regulatory Bulletin 2.3-101, the Division's Community Reinvestment and Fair Lending Policy. The bank's Fair Lending Policy addresses specific areas relating to handling complaints, reviewing denials, underwriting guidelines, monitoring compliance, marketing products and services, external independent reviews, and internal and external employee training. Primarily, GSB markets its services and products to the community through print media and the Internet.

A thorough review of the public comment file revealed that the bank received no complaints pertaining to the institution's CRA performance since the previous examination. Sample reviews of the bank's approved and denied residential loan application files were conducted to check for fair lending issues. No discriminatory practices were noted.

The following information details GSB's fair lending performance as it relates to the guidelines established by the Division of Banks Regulatory Bulletin 2.3-101.

In January 2003, a representative from the bank participated in an Equal Credit Opportunity and Fair Housing Act telephone conference seminar. This seminar covered all aspects of Regulation B and Fair Housing. Training and printed information was shared with loan department personnel and retail banking managers. The bank employs 32 individuals. Of the total employed, 4 work part time.

Credit products offered by the bank include: home equity loans; automobile loans; adjustable rate and fixed-rate first mortgages up to 95 percent loan to value; construction permanent fixed and adjustable mortgages; and secured and unsecured personal loans.

The bank distributes general name recognition advertising and occasional credit and deposit product information through newspapers such as the Georgetown Record, Ipswich Chronicle, and the Newburyport Daily News. The bank also advertises on the local cable television. In addition, banking information can be obtained using the GSB's toll free telephone number.

The bank currently refers delinquent members and denied applicants to the appropriate credit counseling agencies. To ensure consistency in underwriting practices the bank's fair lending procedures, which are incorporated in the loan policy, have a second review process that requires all denied residential mortgage loan applications be reviewed by another loan officer.

The bank has an internet website that provides general banking information. No credit or deposit transactions can be accessed via the Internet website.

The Bank offers checking and savings accounts that meet the Basic Banking for Massachusetts guidelines as prescribed by the Massachusetts Community and Banking Council.

The bank's policy and procedures for completing a credit application were reviewed and no discriminatory practices were noted. The review identified no violations of the substantive provisions of any anti-discrimination laws and regulations.

MINORITY APPLICATION FLOW

A review of residential loan applications was conducted in order to determine the number of HMDA-reportable credit applications the bank received from minority applicants. Between January 1, 2001 and December 31, 2002, the bank received a total of 351 residential loan applications from within its assessment area. During this period, 8 applications were received from minorities. Of the 8 applications received from minority applicants none were denied. Refer to the following table for further details.

Minority Application Flow*								
Race	Aggregate Data 2001		Bank 2001		Bank 2002		Bank Total	
	#	%	#	%	#	%	#	%
<i>Native American</i>	27	0.1	0	0.0	0	0.0	0	0.0
<i>Asian</i>	211	0.9	0	0.0	2	1.0	2	0.6
<i>Black</i>	106	0.5	0	0.0	0	0.0	0	0.0
<i>Hispanic</i>	298	1.3	0	0.0	0	0.0	0	0.0
<i>Joint</i>	235	1.0	5	3.2	1	0.5	6	1.7
<i>Other</i>	101	0.4	0	0.0	0	0.0	0	0.0
Total Minority	978	4.2	5	3.2	3	1.5	8	2.3
<i>White</i>	15,486	66.2	148	94.9	192	98.5	340	96.9
<i>NA</i>	6,914	29.6	3	1.9	0	0.0	3	0.8
Total	23,378	100.0	156	100.0	195	100.0	351	100.0

*Source: PCI Services, Inc., CRA Wiz Software.

The bank's minority application flow for this period was compared with the racial make-up of the assessment area and the 2001 aggregate data for all other HMDA reporters within the assessment area.

According to 1990 Census Data, GSB's assessment area contained a total population of 164,736 individuals, 3.76 percent of which is comprised of various minority groups. By comparison, GSB's minority application flow of 3.2 percent is consistent with the percentage of minorities within the assessment area. However, the 2001 aggregate data indicates that total minority applications at 4.2 percent is higher than that of the bank.

Georgetown Savings Bank's minority application flow is considered to be adequate.

THE COMMONWEALTH OF MASSACHUSETTS

To the COMMISSIONER OF BANKS:

THIS IS TO CERTIFY, that the report of examination of the

GEORGETOWN SAVINGS BANK

for compliance with applicable consumer and fair lending rules and regulations and the Community Reinvestment Act (CRA), as of the close of business **MARCH 19, 2003**, has been read to or by the undersigned and the matters referred to therein will have our immediate attention.

A majority of the Board of Directors/Trustees

Dated at _____ this _____ day of _____ 20 ____

PERFORMANCE EVALUATION DISCLOSURE GUIDE

Massachusetts General Laws Chapter 167, Section 14, as amended, and the Uniform Interagency Community Reinvestment Act (CRA) Guidelines for Disclosure of Written Evaluations require all financial institutions to take the following actions within 30 business days of receipt of the CRA evaluation of their institution:

- 1) Make its most current CRA performance evaluation available to the public;
- 2) At a minimum, place the evaluation in the institution's CRA public file located at the head office and at a designated office in each assessment area;
- 3) Add the following language to the institution's required CRA public notice that is posted in each depository facility:

"You may obtain the public section of our most recent CRA Performance Evaluation, which was prepared by the Massachusetts Division of Banks, at (Address at main office)."

[Please Note: If the institution has more than one assessment area, each office (other than off-premises electronic deposit facilities) in that assessment area shall also include the address of the designated office for that assessment area.]

- 4) Provide a copy of its current evaluation to the public, upon request. In connection with this, the institution is authorized to charge a fee, which does not exceed the cost of reproduction and mailing (if applicable).

The format and content of the institution's evaluation, as prepared by its supervisory agency, may not be altered or abridged in any manner. The institution is encouraged to include its response to the evaluation in its CRA public file.